Seizure and taking posession of record and property of Market Committee under certain conditions

18. (1) Where the Director/Managing Director is satisfied that the books and records of a Market Committee are likely to be suppressed, tampered with or destroyed, or the funds and property of a Market Committee are likely to be misappropriated or taking misapplied, the Director/ Managing Director may possession order for and property of Market

(2) On receipt of the Order under sub-section (I), the Committee police officer not below the rank of sub-Inspector of the local area shall enter and search any place where the records and property are kept or are likely to be kept and to seize them and hand over possession thereof to the Director/ Managing Director or the person authorized by him, as the case may be.

CHAPTER – IV
Classification of Market and Special Market

Classification of Market

19. State Government/ Director/ Managing Director may classify the market constituted under Section 4. in to various categories on the basis of the criteria as may be prescribed.

Special Market and Special Commodity Market

20 (1) State Government may by notification declare any market area as 'Special Market' or 'Special Commodity Market' after consideration of such aspects as turnover, serving large area and special infrastructure requirements of particular commodity, to be operated in addition to the existing market.

(2) Save as provided under sub-section (1) of Section 14,the State Government may by notification, establish separate Market Committee for effective implementation of provisions of this Act for such markets which are notified as special market under sub- section (1).

(3) All provisions for and in relation to the Market Committee made in the Act shall mutatis mutandis apply to the Market Committee established for the special market under sub- section (1).

Constitution of Market Committee for Special Market

21. (1) Save as provided under sub-section (1) of Section 14, every Market Committee shall consist of following members namely- for special

1. Agriculturists (to be nominated by the State Government market from amongst the agriculturists residing in the State).....5
2. Traders (to be nominated by the State Government from amongst the traders holding trading (incense in any Market Committees in the State). Out of the traders so nominated, at least two shall hold the license from the Market Committee of Special Market 4
3. Municipal Commissioner or his nominee of the area where the Special Market is located.....1
4. The Collector or his nominee of the District in which Special Market is located.....1
5. Chief Town Planner or the authority exercising such powers 1
6. Representative of the Registrar of Cooperative Societies 1
7. Director of marketing of the State or his nominee (Ex-Officio member).....1
8. Chief Executive Officer (or his nominee) of the State Agricultural Marketing Board (Ex-Officio Member).....1
9. Representative of other States where from arrivals are received by the special market (to be nominated by the respective State Government. on receipt of request for such nomination by the State Government where Special Market is located ..... 3 (preferably growers).
10. Executive Member (to be appointed by the State Government). Executive Member shall act as the Chief Executive Officer of the Market Committee.....1

11. Agricultural Marketing Advisor to the Government of India or his nominee..... 1

(2) The Market Committee shall meet at least once in six months.

Chairman and Vice-Chairman of Special Market

22. The Market Committee, for Special Market shall have Chairman and Vice-chairman who may be nominated by for Special the State Government for such period as may be specified market the members shall hold office during the pleasure of the State Government.

Executive Committee for Special Market

23. (1) There shall be Executive Committee of the Market Committee of the Special Market consisting of-

(i) One representative of the traders holding the trading license in the Market Committee of Special Market.
(ii) One representative of growers.
(iii) Representative of the Registrar of Cooperative Societies.
(iv) Director of Marketing or his nominee.
(v) Chief Executive Officer (or his nominee) of the State Agricultural Marketing Board.
(vi) Executive Member of the Market Committee who shall Act as the Member-Secretary of the Executive Committee.

(2) In case of emergency, the Executive Committee may decide issues requiring approval of the Market Committee.

However, such decisions shall have to be approved by the Market Committee within 45 days from the date, such decisions have been taken. Failure in so or in the event of disapproval of such decisions by the Market Committee, such decisions shall stand null and void.

(3) The Executive Committee will meet as often as necessary, but at least once in two months.

Chief Executive of the Market Committee of Special Market functions and powers.

24. Executive member of the Market Committee shall Act as the Chief Executive Officer of the Market Committee of the Special Market. The Chief Executive officer shall-

(i) Exercise supervision and control over the officers, and staff of the Market Committee in matter of executive administration concerning accounts and records and disposal of all questions relating to the services of the officers and staff of the Market Committee as per the prescribed procedure.
(ii) Appoint officers and staff of the Market Committee as per direction and procedure prescribed by the Market Committee.
(iii) Incur expenditure from the Market Committee fund for the sanctioned items of work.
(iv) In cases of emergency, direct the execution of stop- page of any work and doing of any Act which requires the sanction of the Market Committee.
(v) Launch prosecution for violation of provision of this Act and rules and by-laws made thereof.
(vi) Issue licenses to the functionaries operating in the market.
(vii) Prepare Annual budget of the Market Committee.
(viii) Arrange for summoning the meetings of the Market Committee and maintenance of records of the proceedings of such meetings.
(ix) Inspect from time to time the construction work undertaken by the Market Committee and send report of such inspection to the Chairman of the Market Committee.
(x) Report such acts of the Market Committee or members of the Market Committee including the Chairman and Vice-chairman which are contrary to the provisions of this Act and Rules and By-laws framed thereof to the Director of Marketing.

(xi) Take such steps as deemed necessary for effective discharge of the functions and decisions of the Market Committee .

CHAPTER V

Conduct of Business and Powers and Duties of Market Committee

Meeting etc. of Market Committee

25. (1) Subject to the provisions of this Act, the Market Committee shall conduct its business as may be prescribed.

(2) A Market Committee shall meet for the transaction of its business at least once in every month, provided that the Market Committee may in special circumstances meet at any time and at any place in the market area as may be prescribed.

(3) Chairman shall preside over meetings of Market Committee and if he is absent, the Vice-Chairman shall preside over meeting of the Market Committee and if at any meeting both the Chairman and the Vice-chairman are absent, such one of the members present in the meeting as may be chosen by the members present may Act as Chairman.

Power and duties of Market Committee

26. (1) It shall be the duty of the Market Committee-

(i) to implement the provisions of this Act. the rules and the bye-laws made there under in the market area;

(ii) to provide such facilities for marketing of agricultural produce therein as the Director/Managing Director Board or the State Government may from time to time direct;

(iii) to do such other acts as may be required in relation to the superintendence, direction and control of market or for regulating marketing of agricultural produce in any place in the market area, and for the purposes connected with the matters aforesaid, and for that purpose may exercise such powers and discharge such functions as may be provided by or under this Act;

(iv) and to do all such other acts to bring about complete transparency in pricing system and transactions taking place in market area.

(2) without prejudice to the generality of the forgoing provisions:-

(a) market Committee may-

(i) maintain and manage the market yards and sub-market yards within the market area;

(ii) provide the necessary facilities for the marketing of agricultural produce within the market yards and outside the market yards and within the sub-market yards and outside the sub-market yards in the market area;

(iii) register or refuse registration to market functionaries and renew, suspend or cancel such registration, supervise the conduct of the market functionaries and enforce conditions of registration;

(iv) regulate or supervise the auction of notified agricultural produce in accordance with the provision and procedure laid down under the rules made under this Act or bye-laws of the Market Committee ;

(v) conduct or supervise the auction of notified agricultural produce in accordance with the procedure laid down under the rules made under this Act or Bye-Laws of the Market Committee;

(vi) regulate the making, carrying out and enforcement or cancellation of agreements of sales, Weighmen, delivery, payment and all other matters relating to the market of notified agricultural produce in the manner prescribed;

(vii) provide for the settlement of all disputes between the seller and the buyer arising out on any kind of transaction connected with the marketing of notified agricultural produce and all matters ancillary thereto;

(viii) take all possible steps to prevent adulteration of notified agricultural produce;

(ix) make arrangements for employing by rotation, Weigh men and hammals for weighing and transporting of goods in respect of transactions held in the market yard/ sub yards;

(x) set up and promote public private partnership in management of the Agricultural Markets;

(xi) to promote public private partnership for carrying out extension activities in its area viz., collection, maintenance and dissemination of information in respect of production, sale storage, processing, prices and movement of notified agricultural produce;

(xii) take measures for the prevention of purchases and sales below the minimum support prices as fixed by the Government from time to time;

(xiii) levy, take, recover and receive rates, charges. fees and other sums of money to which the Market Committee is entitled;

(xiv) employ the necessary number of officers and servants for the efficient implementation of the provisions of this Act, the Rules and the Bye-Laws as prescribed;

(xv) regulate the entry of persons and vehicles, traffic into the market yard and sub-market yard vesting in the Market Committee;

(xvi) prosecute persons for violating the provisions of this Act, the Rules and the Bye-Laws and compound such offences;

(xvii) acquire land and dispose of any movable or immovable property for the purpose of efficiently carrying out its duties;

(xviii) impose penalties on persons who contravene the provisions of this Act, the rules or the bye-Laws or the orders or directions issued under this Act. The rules or the bye-laws by the Market Committee, its Chairman or by any officer duly authorized in this behalf;

(xix) institute or defend any suit, prosecution, action, proceeding, application or arbitration and compromise such suit, action proceeding, application or arbitration;

(xx) pay, pension, allowances, gratuities, contribution towards leave allowance, pensions or provident fund of the officers and servants employed by the Market Committee in the manner prescribed;

(xxi) administer Market Committee fund referred to in Section 58 and maintain the account thereof in the prescribed manner;

(xxii) keep a set of standard weights and measure in each principal market yard and sub-market yard against which Weigh men and measurement may be checked;

(xxiii) inspect and verify scales, weights and measures in use in a market area and also the books of accounts and other documents maintained by the market functionaries in such manner as may be prescribed;

(xxiv) arrange to obtain fitness (health) certificate from veterinary doctor in respect of animals, cattle birds etc., which are bought or sold in the market yards/market area;

(xxv) carry out publicity about the benefits of regulation, the system of transaction, facilities provided in the market yard etc. through such means as poster, pamphlets, hoardings, cinema slides, film shows, group meetings, electronic media etc., or through any other means considered more effective or necessary;

(xxvi) ensure payment in respect of transactions which take place in the market yard to be made on the same day to the seller, and in default to seize the agricultural produce in question along with other property of the person concerned and to arrange for re-sale thereof and in the event of loss, to recover the same from the original buyer together with charges for recovery of the losses, if any, from the original buyer and effect payment of the price of the agricultural produce to the seller;

(xxvii) recover the charges in respect of Weigh men and hammals and distribute the same to weigh men and hammals if not paid by the purchaser/seller as the case may be;

(xxviii) with the prior sanction of the State Government Director/Managing Director undertake the constructions of go downs, roads and such other infrastructure in the market yard/sub yard and market area as may be required to facilitate movement of agricultural produce to the market for benefit of producer sellers and traders operating in the market area;

(xxix) collect and maintain information in respect of production, sale, storage, processing, prices and movement of notified agricultural produce and disseminate such information as directed by the Director;

(xxx) with a view to maintain stability in the market-
(a) take suitable measures to ensure that traders do not buy agricultural produce beyond their capacity and avoid risk to the sellers in disposing of the produce; and (b) grant licenses only after obtaining necessary security in cash as bank guarantee according to the capacity of the buyers;

(xxxi) to promote and undertake agricultural processing including activity for value addition in agriculture produce.

(3) With the prior sanction of the Director/Managing Director, the Market Committee may undertake the following:-

(i) construction of roads, go downs and other infrastructurein the market area to facilitate marketing of agricultural produce and for the purpose give grant or advance funds to the Board, the Public Works Department or any other Department or undertaking of the State Government or any other agency authorized by the Director/ Managing Director;

(ii) maintain stocks of fertilizer, pesticides, improved seeds, agricultural equipments, inputs for safe;

(iii) to provide on rent storage facilities for stocking of agricultural produce to agriculturists;

(iv) to give grant for maintenance of the "Goshalas" recognized by the State Government.

(4) In addition to above the Market Committee shall also be responsible for -

(i) the maintenance of proper checks on all receipts and payment by its officers;

(ii) the proper execution of all works chargeable to the Market Committee fund;

(iii) keeping a copy of this Act and of the rules and notifications issued there under and of its bye-laws, open to inspection free of charge at its office; and

(iv) arranging for preventive measures against spread of contagious cattle disease.

(5) To promote and encourage e-trading, market committee may establish regulatory system, create infrastructure and undertake other activities and steps needed thereto.

Publishing and circulation arrival with rates

27. To publish and circulate from time to time the data of arrivals and rates of agricultural produces standard wise brought into the market area for sale as prescribed.

Appointment of Sub-committee and delegation of powers

28. Subject to such conditions and restrictions as may be prescribed, the Market Committee may appoint sub-committees consisting of one or more of its members for the performance of any of its duties or functions for reporting or giving opinion on any matter and may delegate to any such sub committee such of its powers as may be necessary.

Power to borrow

29. (1) A Market Committee may with the previous sanction of the Director/Managing Director, raise money or issue debentures required for carrying out the purpose for which it is established on the security of any property vested in it and of any fees livable by it under this Act.

(2) The Market Committee may, for the purpose of meeting the initial expenditure on lands, building, staff and equipments required for establishing the market, obtain a loan from the State Government or Marketing Board or other financial institution.

(3) The conditions subject to which money or loan under sub-section (2) shall be raised or obtained and the time within which the same shall be repayable shall be subject to the previous sanction of the State Government or the Director or the Managing Director.

Compounding of offences

30. (1) The Market Committee may accept from any person of who has committed or is reasonably suspected of having committed an offence other than contravention of Section 39 against this Act or the rules or bye-laws, made there under by way of compounding of such offence :-

(a) Where the offence consists of the failure to pay or the evasion of any fee, or other amount recoverable under this Act or the rules or the bye-laws in addition to the fee or other amount so recoverable a sum of money not less than the amount of the fee or other amount and not more than five times the amount of fee or other amount to the maximum extent of rupees five thousand, and

(b) In other cases a sum of money not exceeding five thousand rupees.

(2) On the compounding of any offence under sub- section (1) of Section 30, no proceeding shall be taken or continued against the person concerned in respect of such an offence, and if any proceedings in respect of that offence have already been instituted against him in any court, the compounding shall have effect of his acquittal.

31. A Market Committee may write off any fee or amount whatsoever due to it, whether under a contract or otherwise, or off any amount payable in addition therewith if in its opinion such a fee or an amount is irrecoverable:

Provided that the Market Committee shall, before writing off any such fee, or amount obtain the sanction of the' Director/ Managing Director, if the fee or amount exceeds Rupees fifty thousand.

32. (1) Any officer of the Market Committee the Board empowered by the State Government in this behalf shall have power to remove any market yard. encroachment in a space in the market yard and the expenses of such removal shall be paid by the person who has caused the said encroachment and shall be recovered in the same manner as arrears of land revenue.

(2) Existence of encroachment in market yard will be treated as misconduct of committee, if it does not resolve to remove it and also of the Chairman, Vice- chairman or the Chief Executive Officer if they fail to remove it after resolution of the committee.

Use of weighing instruments, weight and measure, their inspection and seizure

33 (1) Only such weighing instruments which satisfy the requirements of such weights and measures as are prescribed by the State Weights and Measure Act, and the rules made their under shall be used for weighing or agricultural produce in a measure, notified market area:

Provided that in transactions of sale and purchase of agricultural produce in the principal market yard and sub-market yards of the notified market area the beam scale or platform scale or electronic balance shall only be used.

(2) Every committee shall keep in the market yard at least one weighing instrument of the capacity of one quintal and two sets of weights and in places where measures are used to be measured, verified and stamped in accordance with the provisions of the State Weights and Measures Act and the rules framed there under. The committee shall cause with such weights and

measures to be tested and verified once in the course of each calendar year through the agency appointed and in accordance with the requirements of the said Act and Rules.

(3) The Market Committee shall allow any person to check free of charge any weight or measure in his possession against the weights and measures maintained under this section .

(4) Weighing instruments, weights and measures kept by the committee under this section may at any time be inspected, examined and checked by the Director or the Managing Director or any other officer duly authorized in this behalf by the Director/Managing Director. After inspection, the inspecting authority may give such directions as it may deem proper, the committee shall be bound to comply with such directions.

(5) The Director/Managing Director or the Market Committee, and any other person authorized in this behalf by the Director/ Managing Director or Market Committee shall be entitled at any time and without previous notice to inspect, examine and test any weighing instruments, weights or measures used, kept or possessed within a notified market area by a licensee under the Act, and every such licensee in possession of any such weighing instrument, weights or measures shall when required be bound to produce the same before the person entitled so to inspect, examine and test it.

(6) Any person authorized to inspect, examine and test any weighing instrument, weights or measures under sub-section (5) shall, while so acting, have all the powers of an Inspector, Weights and Measures appointed under the State Weights and Measures Act.

Mode of making contract.

34. (1) Subject to the provision of this Act. No contract or agreement on behalf of the Market Committee for the purchase, sale, lease, mortgage or other transfer of, or acquisition of interest in immovable property shall be executed except with the sanction of the Market Committee:

Provided those in such cases where the powers under this sub section in respect of any matter are delegated to. A sub-committee, sanction of sub-committee shall be obtained.

(2) Save as provided in sub-section (1)

(a) Chief Executive Officer of the Market Committee may execute contract or agreement on behalf of the Market Committee where the amount or value of such contract or agreement does not exceed rupees five thousand regarding matters in respect of which he is generally or specifically authorized to do so by a resolution of the Market Committee.

(b) the Chairman and Chief Executive Officer of the Market Committee may jointly execute a contract or an agreement on behalf of the Market Committee when the amount or value of such a contract or an agreement does not exceed rupees twenty thousand depending on the class of the Market Committee as may be prescribed;

(c) in any case other than those referred to in clause of Section 34 a contract or agreement on behalf of the Market Committee shall be executed by the Chairman, Chief Executive Officer and one other member of the Market Committee who shall have been generally or specially authorized by a resolution of the committee to do so.

(3) Every contract entered into by the Market Committee shall be in writing and shall be signed on behalf of the Market Committee by the person or persons authorized to do so under sub-section (2) of Section 34.

(4) No contract other than a contract executed as provided in sub-sections (1), (2) or (3) of Section 34 shall be valid and binding on the Market Committee.

(5) (a) Notwithstanding anything contained in the Indian Registration Act, 1908 (No.16 of 1908), it shall not be necessary for the Chairman or any member or officer or Chief Executive Officer of a Market Committee to appear in person or by agent at any registration office in any proceeding connected with the registration of any instrument executed by him in his official capacity or to sign as provided in Section 58 of the Act.

(b) Where any instrument is so executed. The Registration Officer to whom such instrument is presented for registration may, if he thinks fit, refer to such Chairman, member, officer or Chief Executive Officer for furnishing information respecting the same and shall on being satisfied of the execution thereof, register the instrument.

(6) Where a contract or agreement is entered into on behalf of a Market Committee, the Chief Executive Officer of the Market Committee shall report the fact to the Market Committee at its meeting convened and held immediately following the date of entering into such a contract or an agreement.

Act of Market Committee etc. not to be invalidated

35. No act of Market Committee or of any sub-committee thereof or of any person acting as a member, Chairman, Vice- Chairman, presiding authority or Chief Executive Officer shall be deemed to be invalid by reason only of some defect in the constitution or appointment of such Market Committee, sub-committee members,Chairman. Vice-Chairman, presiding authority or Chief Executive Officer or on the ground that they or any of them were disqualified for such office or that formal notice of the intention to hold a meeting of the committee or of the sub-committee was not given duly or by reason of such Act having been done during the period of any vacancy in the office of the Chairman, Vice-Chairman or Chief Executive Officer or member of such committee or sub-committee or for any other informality not effecting the merits of the case.

CHAPTER-VI
Staff of Market Committee

Chief Executive Officer of Market Committee

36. (1) Every Market Committee shall have a Chief Executive Officer who shall be the chief executive of the market and the custodian of all the records and properties of the market and shall exercise and perform the following powers and duties in addition to such other duties as may be specified in this Act, the Rules or Bye-Laws, namely.-

(i) convene the meetings of the Market Committee and of the sub-committees, if any, and maintain minutes of the proceedings thereof;

(ii) attend the meetings of the Market Committee and of every sub-committee and take part in the discussions but shall not move any resolution or vote at any such meeting;

(iii) take action to give effect to the resolution of the committee and of the sub-committees, and report about all actions taken in pursuance of such resolution to the committee as soon as possible;

(iv) prepare the budget proposal;

(v) furnish to the Market Committee such returns, statements, estimates, statistics and reports as the Market Committee may from time to time, require including reports;

(a) regarding the fines and penalties levied on and any disciplinary action taken against the members of the staff and the market functionaries and others;

(b) regarding over-trading by traders;

(c) regarding contravention of the Act, the rules, the Bye-laws of the standing orders by any person;

(d) regarding the suspension or cancellation of license by the Chairman or the Director;
(e) regarding the administration of the Market Committee and the regulation of the marketing;
(vi) produce before the committee such documents, books, registers and the likes as may be necessary for the transaction of the business of the committee or the sub-Committee, and also whenever called upon by the Market Committee to do so;
(vii) exercise supervision and control over the acts of all officers and servants of the committee;
(viii) collect fees and other money livable by or due to the Market Committee;
(ix) be responsible for all moneys credited to or received on behalf of the Market Committee;
(x) make disbursements of all moneys lawfully payable by the Market Committee;
(xi) report to the Chairman and Director or Managing Director as soon as possible in respect of fraud, embezzlement, theft or loss of Market Committee fund or property;
(xii) prefer complaints in respect of prosecutions to be launched on behalf of the Market Committee and conduct proceedings, civil or criminal, on behalf of the Market Committee.

(2) The Chief Executive Officer shall be appointed by the Market Committee from the panel maintained by the Director/ Board. The Director/ Board shall draw upon such panel of the candidates which may include professionals from open market to be appointed as Chief Executive Officers as may be prescribed. Director/ Managing Director shall have powers to appoint Chief Executive Officer from the services of the State Government /Board and such appointments shall be binding on the Market Committee.

Appointment of Staff by Market Committee

37. (1) Every Market Committee may appoint such other officers and servants as may be necessary and proper for the efficient discharge of its duties:

Provided that no post shall be created save with the prior sanction of the Director/ Managing Director.

(2) The Market Committee may make bye-laws for regulating the appointment, pay, leave, leave allowances, pensions, gratuities, contribution to provident fund and other conditions of service of officers and servants appointed under sub-section (1) and for providing for the delegation of powers, duties and functions to them.

(3) Notwithstanding anything contained in this Act or any Rules or Bye-Laws made there under,the Director/ Managing Director may, subject to the conditions specified in sub-section (4) , transfer on deputation any officer or servant of any Market Committee carrying a maximum scale of pay as prescribed to any other Market Committee of the Revenue Division and it shall not be necessary for the Director/ Managing Director to consult either the Market Committee or the officer or servant concerned before passing an order of transfer on deputation under this sub-section.

(4) The officer or servant concerned transferred under sub-section (3) shall,
(a) have his lien on the post held in the parent Market Committee;
(b) not be put to disadvantageous position in respect of pay and allowances which he would have been entitled to, had he continued in the parent Market Committee
(c) be entitled to deputation allowance at such rate as the Director/Managing Director may by general or special order, specify; and
(d) be governed by such other terms and conditions including .disciplinary control as the Director/Managing Director may, by general or special orders, specify.

CHAPTER - VII
Contract Farming

Procedure and form of Contract Farming Agreement

38. Contract Farming agreements shall be governed in the manner lay down hereinafter.

(1) Contract farming Sponsor shall register himself with the Market Committee or with a prescribed officer in such a manner as may be prescribed.

(2) The Contract Farming Sponsor shall get the contract farming agreement recorded with the officer prescribed in this behalf. The contract farming agreement shall be in such form containing such particulars and terms and conditions as may be prescribed.

Notwithstanding anything contained in contract farming agreement, no title, rights, ownership or possession shall be transferred or alienated or vest in the contract farming sponsor or his successor or his agent as a consequence arising out of the contract farming agreement.

(3) Disputes arising out of contract farming agreement may be referred to an authority prescribed in this behalf for settlement. The prescribed authority shall resolve the dispute in a summary manner within thirty days after giving the parties a reasonable opportunity of being heard, in the manner prescribed.

(4) The party aggrieved by the decision of the prescribed authority under sub-section (3) of Section 38 may prefer an appeal to an Appellant Authority within thirty days from the date of decision. The Appellant Authority shall dispose of the appeal within thirty days after giving the parties a reasonable opportunity of being heard and the decision of the Appellant Authority shall be final.

(5) The decision by the authority under sub-section (3) of Section 38 and decision in appeal under sub-section (4) shall have force of the decree of the civil court and shall be enforceable as such and decrial amount shall be recovered as arrears of land revenue.

(6) Disputes relating to and arising out of contract farming agreement shall not be called in question in any court of law than otherwise provided herein above.

(7) The agricultural produce covered under the Contract Farming agreement may be sold to the Contract Farming Sponsor out side the market yard and in such a case, no market fees will be leviable.

CHAPTER VIII
REGULATION OF TRADING

Regulation of Marketing of notified agriculture produce

39. (1) No person shall, except in accordance with the provisions of this Act and the Rules and Bye-laws made there under.-

(i) use any place in the market area for the marketing of notified agricultural produce; or

(ii) operate in the market area as a market functionary.

(2) Nothing in the sub-section (1) shall apply to the following sale or purchase of such agricultural produce.-

(i) whereof the sale is made by the producer himself to any person for his domestic consumption in quantity up to four quintals;

(ii) Which is brought for sale by head load:

Provided that the State Government by notification may withdraw this exemption specifying the reasons therein in respect of such market area as is specified in the notification;

(iii) Purchase or sale of which is made by a petty trader;

(iv) purchase of which is made by an authorized fair price shop dealer from the Food Corporation of India, the "The State Commodities Trading Corporation" or any other agency or institution authorized by the State Government for distribution of essential commodities through the public distribution system;

(v) The transfer of such agricultural produce to a cooperative society for the purpose of securing an advance there from.

Sell of notified agricultural/ horticultural/ Animal Husbandry/ Forest produce in Market

40. (1) all notified agricultural produce shall ordinarily be sold in the market yards/ sub market yards or in the private yards of the license holder. Subject to the provisions of sub-section (2):

Provided that the notified agricultural produce may be sold at other places also to a license holder especially permitted in this behalf under Section 45 of this Act:

Provided further that it will not be necessary to bring agricultural produce covered under contract farming to the market yard/ sub market yard /private yard and it may be directly sold to contract farming sponsor from farmers' fields.

(2) Such notified agricultural produce as may be brought by the licensed / registered traders from outside the market area or in the market area in the course of commercial transaction may be brought or sold anywhere in the market area.

(3) The price of the notified agricultural produce, brought for sale into the market yard, shall be settled by tender bid or open auction or any other transparent system and no deduction shall be made from the agreed price on any account whatsoever from the seller:

Provided that the price of notified agricultural produce in the private yards shall be settled in the manner prescribed.

(4) Weighment or measurement or counting of all the notified agricultural produce so purchased shall be done by such a person and such system as is provided in the bye-laws or at any other place specified for the purpose by the Market Committee .

Terms and procedure of buying and selling

41. (1) Except in the commercial transaction between two traders, any other person who buys notified agricultural produce in the market area, shall execute an agreement in triplicate in such form , as may be prescribed in favor of the seller. One copy of the agreement shall be kept by the buyer, one copy shall be supplied to the seller and the remaining copy shall be kept in the record of Market Committee.

(2) (a) The price of the notified agricultural produce brought in the market yard,/sub market yard / private yard shall be paid on the same day to the seller in market yard /sub market yard/private yard. Payment of notified agricultural produce purchased , out of such yard - yards, shall also be made to the seller, if he is not a trader, on the same day there itself;

(b) in case purchaser does not make payment under clause (a), he shall be liable to make additional payment at the rate of one percent, per day of the total price of the agricultural produce, payable to the seller within five days;

(c) in case the purchaser does not make payment with additional payment to the seller under clause (a) and (b) above, within five days from the day of such purchase, his license / registration shall be deemed to have been cancelled on the sixth day and he shall not be registered or granted any

license or permitted to operate under this Act for a period of one year from the date of such cancellation.

(3) No wholesale transaction of notified agricultural produce shall be entered directly by licensed/ registered traders with producers of such produce except in the market yard/ sub market yard / private yard or in such place in accordance with the provisions in the Bye-Laws.

Provided that agricultural produce produced under contract farming, may be bought directly by contract farming buyer anywhere.

(4) The Commission agent shall recover his commission only from his principal trader at such rates as may be specified in the Bye-laws including all expenses as may be incurred by him in storage of the produce and other services rendered by him.

(5) Every commission agent shall be liable .-

(a) to keep the goods of his principal in safe custody without any charge other than the commission payable to him, and

(b) to pay the principal, as soon as goods are sold, the price thereof irrespective of whether he has and has not received the price from the buyer of such goods.

Power to levy market fees (single point levy)

42. (1) Every Market Committee shall levy market fee:-

(i) On the sale or purchase of notified agricultural produce, whether brought from within the State or from outside the State, into the market area; and

(ii) on the notified agricultural produce whether brought from within the State or from outside the State, into the market area for processing;

at such rates as may be fixed by the State Government from time to time subject to minimum rate of fifty paisa and a maximum of two rupees for every one hundred rupees of the price in the manner prescribed.

(2) (i) Market fee specified in sub-section (1) shall not be levied for the second time in any market area of the State, provided that market fee has already been paid on that agricultural produce in any market of the State and the information in this context has been furnished, as prescribed, by the concerned person that the payment of market fee has already been made in other market;

(ii) market fee shall not be levied more than once in any market area in case the agricultural produce is being resold in the process of commercial transaction between traders or to consumers, provided that the information, as prescribed has been furnished by the concerned person that the payment of due market fee has already been made on it.

(3) On the agricultural produce brought in the market area for commercial transaction or for processing, if the permit issued under Section 43 has not been submitted, the market fee shall be deposited by the buyer or processor, as the case may be, in the office of the Market Committee. Within fourteen days but before sale or resale or processing or export outside the market area:

Provided that in case any notified agricultural produce is found to have been processed, sold or resold or dispatched outside the market area without payment of market fee payable on such produce, the market fees shall be levied and recovered on five times the market value of the processed produce or value of the agricultural produce, as the case may be.

(4) The market fee shall be payable by the buyer of the notified agricultural produce and shall not be deducted from the price payable to the seller. Provided that where the buyer of a notified agricultural produce cannot be identified, all the fees shall be payable by the person who may have sold or brought the produce for sale in the market area:

Provided further that in case of commercial transactions between traders in the market area, the market fee shall be collected and paid by the seller.

(5) The market functionaries, as the Market Committee may, by Bye-laws specify. Shall maintain account relating to sale and purchase or processing or value addition in required forms and submit to the Market Committee periodical returns as may be prescribed.

(6) The Market Committee may levy and collect entrance fee on vehicles, which may enter into market yard, sub market yard at such rate as may be specified in the bye-laws.

Permission for Transportation of notified Agriculture produce

43. (1) Any notified agricultural produce shall be removed out of the market area only in the manner and in accordance with the permit issued in such form, as is prescribed by the Managing Director or Director, and not otherwise:

Provided that the bill issued by the seller will have to be kept with at the time of transportation of processed product of agricultural produce:

Provided also that the producer of the agricultural produce himself may take the agricultural produce from one place to another without permit as is prescribed by the Managing Director/ Director.

(2) Any agricultural produce shall be transported in the market area under commercial transactions as is prescribed by the Managing Director/ Director.

Registration of functionaries

44. (1) Every person who, in respect of notified agricultural produce, desires to operate in the market area as of trader, commission agent, Weigh men, hammal, surveyor, warehouseman, contract farming buyer owner or occupier of processing factory or such other market functionary, shall apply to the Market Committee for registration or renewal of registration in such manner and within such period as may be prescribed:

Provided further that any person may buy agricultural producd in the market yard / sub market yard on day to day basis even without getting registration in manner prescribed by the State Government:

Provided further that any person who desires to trade or transact in any notified agricultural produce in more than one market areas, shall have to get his registration, for respective function, with the authority prescribed by the State Government/Director/Managing Director.

(2) Every such application shall be accompanied with such fee as the State Government/Director/ Managing Director may prescribe.

(3) The Market Committee may register or renew the registration or refuse to register or renew the registration on the basis of one or more of the following reasons.-

(i) the applicant is a minor or not bonafide;

(ii) the applicant has been declared defaulter under the Act or rules made there under and bye-laws;

(iii) the applicant has been found guilty under this Act.

(4) (i) The applications received under sub-section (1) shall be disposed of by the Market Committee as required in sub- section (3) in four weeks but if the Market Committee fails to dispose of applications in four weeks, then –

(a) the applicant shall remind in writing the Market Committee, in respect of his application,

(b) moreover, the applicant shall also inform in writing to the authority prescribed by the Managing Director/ Director in this regard.

(i) On expiry of period of two weeks after submitting the reminder if the application is not disposed of, it shall be deemed that the registration or its renewal, as the case may be, has been granted.

(ii) The prescribed authority on the basis of information received by him and after expiry of time of two weeks, shall only confirm that application for registration/ renewal was submitted to the Market Committee and due action has not been

taken by the Market Committee for disposal of the same then he shall issue a certificate under clause (ii) of sub - section (4) regarding grant of deemed registration or its deemed renewal within two weeks time.

(5) All the registrations granted and renewed under this section shall be subject to the provisions of this Act, Rules and Bye-Laws made there under.

(6) No commission agent shall Act in any transaction between the agriculturists - seller or trader - purchasers, on behalf of an agriculturist-seller, nor shall he deduct any amount towards commission from the sale proceeds payable to the agriculturist-seller.

Establishment of Private Yards, Direct purchase of Agricultural produce of Agriculturist(Direct purchasing from producer)

45. The Director/Managing Director/ Prescribed authority may grant license to purchase agricultural produce by establishing private yard or from agriculturist, in and direct one or more market area for-

(a) process of the notified agricultural produce;
(b) trade of notified agricultural produce of particular specification;
(c) export of notified agricultural produce;
(d) grading, packing and transaction in other way by value addition of notified agricultural produce.

Establishment of Consumer / Farmers Market. (Direct Sale by producer)

46. (1) Consumer/Farmer market may be established by developing infrastructure as prescribed, by any person in any market area. At such place, producer of agricultural produce himself may, as prescribed, sell his produce directly to the consumer:

Provided that the consumer may not purchase more than such quantity of a commodity at a time in the consumer market as may be prescribed.

(2) Market service charge shall be collected on sale of agriculture produce by the seller and will be remitted to the proprietor of the consumer market.

(3) Save as other wise provided in this Act no market fee shall be levy on the transactions under taken in the consumer/farmers market.

(4) License for establishment of consumer/farmer market shall be granted by the State Government Director /Managing Director.

Grant/Renewal of Licensee of Private Yard, Consumer/ Farmers market and weighmens

47. (1) Any person who, under Section 45 desires to purchase notified agricultural produce direct from the agriculturists or wishes to establish a private yard or under Section 46 desires to establish in one or more than one Consumer/ Farmer market area, shall apply to the Director/Managing market and Director for grant or renewal of license , as the case may be , in the manner and for the period , as may be prescribed by the State Government.

(2) Along with every such application for license, fee prescribed, by Managing Director shall be deposited.

(3) Application received under sub-section (1) of Section 47 for grant or renewal of license may be accepted or rejected for reasons recorded in writing by the authority prescribed by the State Government, as the case may be provided-

(i) if the Market Committee dues are outstanding against the applicant the license shall not be granted/renewed;
(ii) the applicant is a minor or not bonafide;
(iii) the applicant has been declared defaulter under the Act and rules and bye-law made there under;
(iv) the applicant having been declared guilty in any criminal case and convicted by imprisonment;
(v) any other reasons.

(4) All the licenses granted /renewed under this section shall be subject to provisions of this Act, rules or Bye-Laws made there under.

Power to Cancel or suspend Licensee / Registration.

48. (1) Subject to the provisions of sub - section (4) of Section 47, the Director or Managing Director or Prescribed officer or Market Committee who has issued license as the case may be for the reasons registration to be communicated

to the license holder/ registration holder in writing, suspend or cancel, license registration:-

(a) If the license or registration has been obtained through willful misrepresentation or fraud; or

(b) if the holder of the license or registration or any servant or anyone acting on his behalf with his (license/registration holder's) expressed or implied permission, commits a breach of any of the terms or conditions of license Registration ;

(c) if the holder of the license/ registration in combination with other license / registration holder commits any Act or abstains from carrying on his normal business in the market area with the intention of willfully obstructing, suspending or stopping the marketing of notified agricultural produce in the market yard I sub market yard and in consequence whereof the marketing of any notified agricultural produce lies been obstructed, suspended or stopped;

(d) if the holder of the license /registration has become an insolvent;

(e) if the holder of the license/registration incurs any disqualification , as may be prescribed; or

(f) if the holder of the license/registration is convicted of any offence under this Act then within one year of the conviction if the conviction is for the first time and within three years for subsequent conviction.

(2) Subject to the provisions of sub- section (4) the Chairman or Chief Executive Officer may, after communicating the reasons in writing to the license /registration holder, suspend a license /registration for the period not exceeding one month on any reason for which the Market Committee may suspend a license / registration under sub- section (1):

Provided that such order shall cease to have effect on expiry of a period of ten days from the date on which it is made , unless confirmed by the Market Committee before such expiration.

(3) Notwithstanding anything contained in sub- section (1) , but subject to the provisions of sub-section (4), the Director/Managing Director may, for the reasons to be communicated in writing to the license / registration holder, by order suspend or cancel his/its license/registration granted or renewed by the Market Committee:

Provided that no order under this sub section shall be made without notice to the Market Committee.

(4) No license/registration shall be suspended or cancelled under this section without giving a reasonable opportunity to its holder to show cause against such suspension or cancellation:

Provided that the power to suspend or cancel a license granted by the authority prescribed by the State Government shall vest with the authority himself so prescribed subject to provisions of this section.

Appeal

49. (1) Any person aggrieved by an order of the Chief Executive Officer or the Chairman of Market Committee or the Director/Managing Director , passed under Sections 44, 47 or 48, as the case may be, prefer an appeal-

(a) to the Market Committee, where such order is passed by the Chairman/Chief Executive Officer, within seven days of receipt of the order ;

(b) to the Director/Managing Director, where such order is passed by the Market Committee, within thirty days of receipt of the order; and

(c) to the State Government, where such order is passed by the Director /Managing Director, within thirty days of receipt of the order ; in such manner as may be prescribed.

(2) the Appellate Authority, if it considers necessary to do so, grant a stay of the order appealed against for such period as it may deem fit.

(3) the order passed by the Chairman, Market Committee and the Director/Managing Director shall, subject to the order in the appeal under this section. Be final and shall not be called in question in any court of law.

Redressal of dispute between Private Market or Market Committee and Consumer Market

50. (i) Dispute between the Private market or Consumer market and Market Committee, shall be referred to the Director or Managing Director or his representative. Or any other officer authorized by the State Government in this regard. The dispute shall is resolved after giving both parties a reasonable opportunity of being heard, in the manner prescribed.

(ii) The decision given by the authority under sub-section (I) above shall be final and shall not be called in question in any Court of Law.

Provision of Trade allowances other than those prescribed under this act

51. No trade allowance or deduction, other than of prescribed by or under this Act, shall be made or received by any person in any market area in any transaction in respect of the notified agricultural produce and no Civil Court, shall, in any suit or proceedings arising out of any such transaction, have regard to any trade allowance not so prescribed.

Power to order production of Account and entry, inspection and seizure

52. (1) The Chief Executive Officer of the Market Committee or any officer or servant of the State Government or the Board, empowered by the State Government in this behalf may , for the purposes of and this Act, require any person carrying on business in any kind of notified agricultural produce to produce before him the accounts and other documents and to and furnish any information relating to stocks of such agricultural produce or purchase, sale, processing, value addition and delivery of such agricultural produce by such person and also to furnish any other information relating to payment of market fees by such person.

(2) All accounts and registers maintained by any person in the ordinary course of business of any notified agricultural produce and documents relating to stocks of such agricultural produce or purchase, sale, processing, value addition of such agricultural produce in his possession and offices, establishment, go downs, vessels or vehicles of such persons shall be kept open for inspection at all reasonable time by such officers and servants of the State Government, Board or Market Committees may be authorized, by the State Government in this behalf.

(3) If any such officer or servant has reasons to suspect that any person is attempting to evade the payment of any market fee due from him under Section 42 or that any person has purchased. sold, processed or value added any notified agricultural produce in contravention of any of the provisions of this Act or the rules or the bye-laws in force in the market areas, he may by communicating in writing to such person, seize such accounts, registers or documents such a person, as may be necessary, and shall grant a receipt for the same and shall retain the same only so long as may be necessary for examination thereof or for a prosecution.

(4) For the purpose of sub- section (2) or sub- section (3) such officer or servant may enter or search any place of business, warehouse, office, establishment, go down, vessel or vehicle where such officer or servant has reason to believe that such person keeps or for the time being has kept accounts, registers or documents of his business, or stock of notified agricultural produce relating to this business.

(5) The provisions of Section 100(4) to (8) of the Code of Criminal Procedure, 1973, shall, so far as may be, apply to a search under sub- section (4).

(6) Where any books of accounts or other documents are seized from any place and there are such entries therein making reference to quantity, quotations, rates, receipts or payment of money or sale or purchase of goods, such books of accounts or other documents shall be admitted in evidence without witness having to appear to prove the same, and such entries shall be prima facie evidence of matters, transactions and accounts purported to have been recorded therein.

Submission of annual account by Licensee/Registrar functionaries and assessment of Market fee

53. (1) Every trader, processor, proprietor of a private yard, proprietor of consumer/ farmer market or commission agent, carrying on business of notified agricultural produce shall, before the 30th June, every year submit to the Chief Executive Officer a statement of transaction undertaken by or through him during the previous financial year ending on the 3lst March, in the prescribed manner

(2) The Chief Executive Officer shall accept or reject the statement submitted to him under sub - section (1) after necessary examination and verification on the basis of information duly available in the Market Committee and shall assess the balance amount payable by the functionary and levy the assessed amount.

(3) Any person aggrieved by the proceedings of the Chief Executive Officer, may within thirty days.

(4) Any officer authorized by the State Government or the Board may. On his own motion or on application made to the State Government start process of re-verification of the statement, verified by the Chief Executive Officer. Within two years of the date of verification and for this purpose such officer shall exercise the powers under Section 52.

(5) The re-verification made by the officer authorized by the State Government or the Board, shall be final.

Assessment of Market Fee of his own motion by the Chief Executive Officer, payable to Market Committee by Licensee/ Registered Functionaries

54. If any person required to produce accounts or furnish information under sub-section (1) of Section 53 fails to produce such accounts or to furnish information or knowingly furnishes incomplete or incorrect accounts or information or has not maintained proper accounts of the business of the notified agricultural produce,the Chief Executive Officer, on his own motion, shall assess such person for fees levied under Section 42 on the basis of information available with the Market Committee .

Power to stop Vehicles and inspect store

55. (1) At any time when so required :-

(i) by any officer or servant of the Board or any officer or servant of the Government, empowered by the Board or the Collector in this behalf in any market area, or

(ii) by any officer or servant of the Market Committee empowered by the Market Committee in this behalf in the market area concerned , the driver or any other person in charge of the vehicle, vessel or other conveyance shall stop the vehicle, as the case may be, and keep it stationary, as long as may reasonably be necessary, and allow such person to examine the contents in the vehicle, vessel or other conveyance and inspect all records relating to notified agricultural produce carried and give his name , address and name and address of the owner of the vehicle, vessel or other conveyance and name and address of the owner of the notified agricultural produce carried in such vehicle, vessel or other conveyance.

(2) Persons empowered under sub-section (1) shall have power to seize any notified agricultural produce brought into or taken out or proposed to be taken out of the market area in any vehicle. Vessel or other conveyance, if such person has reason to believe that any fee or other amount due under this Act or the value payable to the seller in respect of such produce has not been paid.

(3) If any person empowered under sub-section (1) has reason to suspect that any person is attempting to evade the payment of any market fee due from him under Section 42 or that any person has purchased or stored any notified agricultural produce in contravention of any of the provisions of this Act or the Rules or the Bye-laws in force in the market area , he may enter or search any place of business, warehouse , office , establishment or go down where the person empowered under sub-section (1) has reason to believe that such person keeps or has for the time being kept stock of notified agricultural produce and